



# Department of Justice

**United States Attorney Richard S. Hartunian  
Northern District of New York**

FOR IMMEDIATE RELEASE  
Wednesday, July 17, 2013  
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SYRACUSE, NEW YORK - United States Attorney Richard S. Hartunian announced today that Upstate Laboratories, Inc., 6034 Corporate Drive, East Syracuse, New York pled guilty before Judge Glenn T. Suddaby to one count of felony mail fraud related to the falsification of over 3,300 laboratory results from 2008 through 2010.

As set forth in the plea agreement and charge, Upstate Laboratories has been a certified laboratory in the business of performing chemical analysis of water and soil samples supplied by public and private clients. Samples for which chemical degradation was an issue required Upstate Laboratories to perform analysis within specified time-frames ("holding times") after the samples were obtained. Upstate Laboratories further promised to utilize required procedures to ensure that the samples did not degrade.

For samples that required a prompt turnaround time, Upstate Laboratories charged a fee greater than for samples that did not. For all samples, Upstate Laboratories represented to clients that analysis would be and was performed in accordance with required analysis standards. Upstate Laboratories submitted invoices for its analysis and was paid through use of the United States mail.

Notwithstanding representations of proper and timely sample analysis, from 2008 through 2010 Upstate Laboratories engaged in the routine "backdating" of samples results where employees changed the dates when the samples were analyzed to make it appear that analysis

had occurred within the required time periods when in fact they had not. Upstate Laboratories thereafter prepared false and fraudulent analysis reports representing that samples were properly analyzed within required time frames and that the results were valid when they were not.

During the course of the scheme to defraud, Upstate Laboratories falsified results and mailed fraudulent results to clients including the following:

CLIENT NAME

1. Village of Moravia, NY
1. Two Guys From Italy Pizza Restaurant, West Monroe, NY
2. Town of Camillus, NY
3. Steuben County, NY – Division of Solid Waste
4. Oswego County, NY – Department of Health
5. Oswego County, NY – Department of Solid Waste
6. Cortland County, NY – Soil and Water Conservation District
7. Liquid Products, LLC, Waterloo, NY
8. Hanson Aggregates New York, LLC, Poland, NY
9. Casella Waste Systems via On-Site Technical Services, Wellsville, NY
10. A & P Water Testing, Morrisville, NY
11. Wolcott Landfill, Wolcott, NY
12. New York State Department of Transportation – Region 7
13. Hannibal Hills Trailer Park, Hannibal, NY
14. Ontario County, NY - Recycling and Landfill Management
15. Fulton County, NY - Department of Solid Waste
16. Barton and Loguidice, Liverpool, NY

17. Oswego Heat Treating, Inc – Oswego, NY
18. Town of Oswego, Oswego, NY
19. Agro-Farm, Inc, Norwich, NY
20. Tri-Boro Municipal Authority, Susquehanna, PA
21. Village of Endicott, NY – Waste Water Treatment Plant
22. Sullivan County, NY – Department of Public Works
23. Fagan Engineers via Franklin County, NY
24. Applied Testing and Geosciences, Bridgeport, PA
25. City of Tonawanda, NY
26. Oneida – Herkimer Solid Waste Authority, Utica, NY
27. Town of Lumberland, NY
28. Madison County, NY – Department of Solid Waste
29. Kerry Bio-Science, Rochester, MN
30. Ameresco, Inc, Various locations throughout United States

Upstate Laboratories has agreed to pay to the United States a criminal fine of \$150,000, but that from this total, the amount up to the entire fine shall be suspended on the condition that it be paid at the date of imposition of sentence to victims identified in this plea agreement or identified by the Court as entitled to restitution. Nothing about the possible suspension of the criminal fine sets a maximum amount of restitution that must be paid. Rather, Upstate Laboratories must pay all restitution to victims as determined by the Court, even if the amount exceeds \$150,000.

Also pursuant to the plea, Upstate Laboratories will be placed on a term of probation for five years. As part of its probation, Upstate Laboratories will be required to develop, fund and

implement a comprehensive Environmental Compliance Plan ("ECP") to prevent future violations. Finally, Upstate Laboratories is not permitted to seek or take a tax deduction for any monies paid as a fine.

Sentencing has been set for December 4, 2013.

This case was investigated by Special Agents of the Environmental Protection Agency, Office of Inspector General and Criminal Investigation Divisions. The case is being prosecuted by Assistant United States Attorney Craig Benedict. Questions may be directed to AUSA Benedict at 315-448-0726 or cell phone 315-391-1110.

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